

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: U S WEST COMMUNICATIONS, INC., AND QWEST INC.	DOCKET NO. SPU-99-27
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ORDER GRANTING INTERVENTION

(Issued November 8, 1999)

On September 20, 1999, Qwest Communications Corp., LCI International Telecom Corp., USLD Communications Inc., Phoenix Network Inc., and Qwest Communications International Inc. (collectively "Qwest"), and U S WEST Inc. filed a "Joint Application" for an order approving the proposed merger of Qwest Inc. and U S WEST Inc. (collectively, the "Applicants") pursuant to IOWA CODE §§ 476.76 and 476.77 (1999). The filing has been identified as Docket No. SPU-99-27.

On October 13, 1999, AT&T Communications of the Midwest, Inc. (AT&T), filed a petition to intervene in this docket. AT&T states it has a substantial and direct interest in the subject matter of this proceeding, as it is a potential competitor for U S West's local exchange service in Iowa and wants to ensure the post-merger company does not discriminate against competitors. AT&T also states an interest in ensuring the merged company complies with AT&T's existing interconnection agreement and with Section 271 of the Telecommunications Act of 1996.

On October 28, 1999, the Applicants filed a statement in opposition to AT&T's petition to intervene. Applicants object to AT&T's intervention because they believe AT&T's expressed interests are separately protected or represented in this proceeding and because they believe the expressed interests are beyond the legal and factual scope of this proceeding. Applicants urge that the interests of the general public will be adequately represented by the Consumer Advocate Division of the Department of Justice (Consumer Advocate). They also argue that issues relating to potential discrimination against competitors and compliance with interconnection agreements are matters for other dockets, while compliance with Section 271 is adequately addressed by Applicants' statement that Qwest will divest its interLATA services within the U S West region.

The Board will grant the petition to intervene. It appears AT&T's interest as a certificated competitive local exchange carrier (CLEC) in Iowa, dependent in large part upon the services offered by U S West, is sufficient to justify granting AT&T's petition for intervention. Moreover, the steps that may be necessary to achieve compliance with the requirements of Section 271 following the merger is an issue that remains to be addressed in this docket. Applicants essentially urge the Board to accept their proposed resolution as evidence of compliance in advance of the hearing. Divestiture of interLATA services may be adequate to ensure future compliance with the requirements of the statute, but the Board cannot make that

determination until after the hearing in this matter. It would be premature to reject AT&T's intervention when the relevant issue has not yet been decided.

The Board believes that AT&T's interests are sufficiently different from those of the general public to justify its intervention and participation in this docket, apart from Consumer Advocate. Further, it appears the perspectives of CLECs with respect to the Board's evaluation of the proposed merger may be helpful in assembling and assessing the record in this docket.

IT IS THEREFORE ORDERED:

The petition to intervene filed on October 13, 1999, by AT&T Communications of the Midwest, Inc., is granted.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Raymond K. Vawter, Jr. /s/ Diane Munns
Executive Secretary

Dated at Des Moines, Iowa, this 8th day of November, 1999.